

**R E M A R K S**

By this Amendment the specification has been amended to include topic headings, claim 1 has been amended to better define the invention, claims 2-25 and 28 have been amended with regard to the introductory wording, and new claims 29-31 have been added to alternatively define the invention. Entry is requested.

In the outstanding Office Action the examiner has rejected claims 1-10, 13-25, 27 and 28 under 35 U.S.C. 102(b) as being anticipated by Kaule et al., and he has rejected claims 11 and 12 under 35 U.S.C. 103(a) as being unpatentable over Kaule et al. in view of Jotcham et al.

The applicant asserts that these rejections cannot apply to the currently presented claims.

Kaule et al. disclose a security document having a security element provided with characters, patterns, etc., visually readable at least in transmitted light and which is electrically conductive and bears additional substances for machine testing. The security element can be a transparent plastic film having metallic and magnetic areas 34 alternating in the longitudinal direction. Metallization 3 can have recesses 5 (so-called negative writing) in the form of characters, numbers or patterns in which the transparent carrier material thereunder is visible. Fig. 3 shows adjacent recesses 5 along the length of the film out of register with one another.

By this Amendment claim 1 has been amended to state that the magnetic feature has a varying size and shape along the length of the element (see Figs. 4 and 4a). Kaule et al. do not disclose or suggest this structure. Nor does Jotcham et al.

New claim 29 recites that the demetallized indicia vary about a center line along the length of the security element (see page 11, lines 13 to 16).

New claim 30 is a combination of original claims 1 and 13 wherein the boundary of the magnetic feature varies and is complementary to the boundary of the design of the demetallized region. This is not the case in Kaule et al. New claim 31 is based on the original disclosure at page 11, lines 23 to 27 and relates to the variation in the height of the magnetic feature and the variation in the design thereof, wherein the amount of magnetic material present in any cross-section of the element is constant.

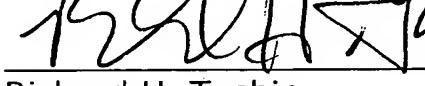
The examiner's prior art rejections should be withdrawn and the presented claims allowed.

The additional claim fees should be charged to Account No. 04-  
2223.

Respectfully submitted,

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FIG. 1. (PRIOR ART)

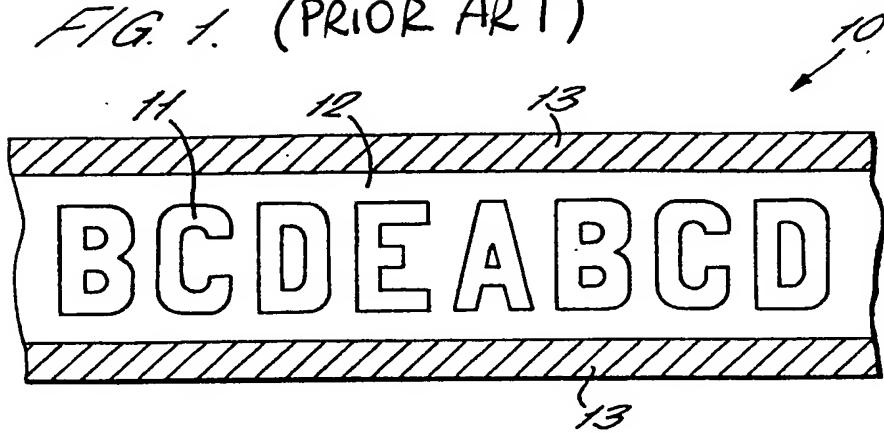


FIG. 2. (PRIOR ART)

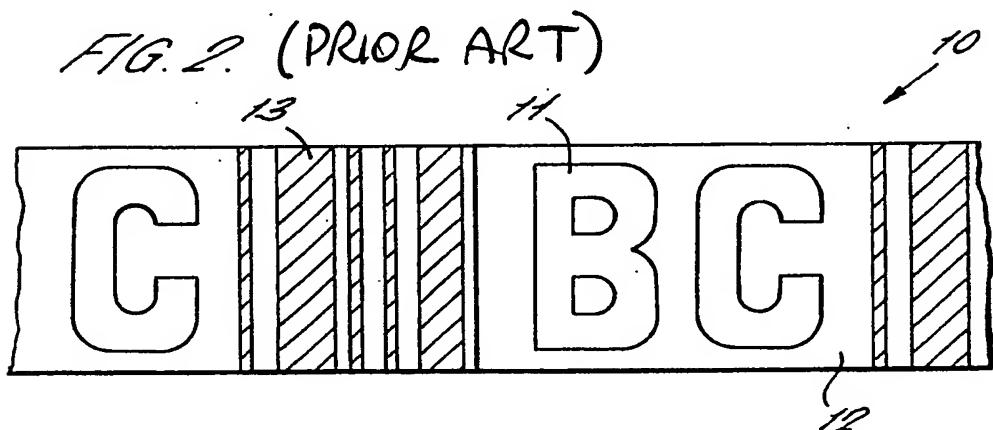


FIG. 3. (PRIOR ART)

